

DA

[REDACTED]

This material may be subject to the confidentiality provision of Section 7A (b) of the Clayton Act which restricts release under the Freedom of Information Act

December 13, 1984

Dana Abrahamsen, Esq.  
Federal Trade Commission  
Sixth Street at  
Pennsylvania Avenue, N.W.  
Room 313  
Washington, D.C. 20580

DEC 13 4 53 PM '84

Re: [REDACTED]

Dear Dana:

As we discussed, I am writing to confirm our conversation of Thursday, November 15, 1984 regarding the proposed management buyout of certain assets of the [REDACTED]. In that conversation, you confirmed my understanding that the notification and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. § 18a, did not apply to the management buyout based upon the proposed structure.

The transaction is to be carried out as follows:

The [REDACTED] Assets will be acquired by a newly formed corporation to be called [REDACTED] which will be a wholly-owned subsidiary of [REDACTED] also a newly formed corporation. The common

reputable TV?

Dana Abrahamsen, Esq.  
Page Two  
December 13, 1984

shareholders of [REDACTED] will be a limited partnership formed by [REDACTED] and certain members of the management of the [REDACTED] Division. No shareholder will hold 50% or more of the voting securities of [REDACTED]. The purchase price for the [REDACTED] assets will be an aggregate of \$88 million. The purchase price will consist of \$20 million in preferred stock of [REDACTED] which will be non-voting and non-convertible, \$4 million in subordinated notes of [REDACTED] \$3 million in common equity of [REDACTED] and approximately \$61 million in bank borrowings. This \$88 million will be the only assets of [REDACTED] and [REDACTED] prior to the acquisition. There will also be a shareholder agreement pursuant to which the [REDACTED] of [REDACTED] common shares are expected to agree to vote in favor of a slate of directors to be proposed by management.

Because [REDACTED] are newly formed entities which have no assets other than those to be used as the consideration in making the acquisition of the [REDACTED] Assets and further, [REDACTED] is the ultimate parent entity of the acquiring person, the size-of-person test will not be met. You confirmed, therefore, that the acquisition of the [REDACTED] assets by [REDACTED] will not be a reportable transaction under the Act.

Sincerely,

[REDACTED]

[REDACTED]

OK upon later  
review on 3/9/87  
WCK